

IWVWD states opposition to IWVGA pipeline project

News Release
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The Indian Wells Valley Water District (District) Board of Directors unanimously adopted Resolution No. 24-05 opposing the proposed Imported Water Pipeline Project following receipt of the final report by Clean Energy Capital during the Sept. 9 Board meeting. This decision builds on previous evaluations of the project’s costs and a presentation to the Board on July 8, which underscored the significant financial impact the project would impose on District customers.

The proposed Imported Water Pipeline, as outlined in the Indian Wells Valley Groundwater Authority’s (IWVGA) Groundwater Sustainability Plan (GSP) plans to transport treated water from the Antelope Valley–East Kern Water Agency (AVEK) pipeline in California City to a new terminus tank near Ridgecrest. The Groundwater Authority pipeline cost estimate of \$200 million only includes the cost of pipeline construction but does not include the initial purchase of water rights, modifications to the Water District system to accommodate the imported water, environmental mitigation, interest on financed debt and other miscellaneous costs not associated with construction.

Clean Energy Capital, a fully bonded and licensed independent consultant, provided a detailed cost analysis of all project costs, including those listed above, which estimates initial project implementation to be approximately \$299 million in 2024 dollars, with potential future cost escalations that would push the total project cost closer to \$352 million. After project completion additional operations and maintenance costs are estimated to start at \$10.1 million increasing to \$22.2 million over time.

The final report by Clean Energy Capital presented on Sept. 9, 2024, reinforced concerns about the financial burden the pipeline would place on District customers. The District estimates that the average customer’s monthly bill could more than double upon initial implementation, even assuming the GA receives the full \$150M in requested Grant funding,

and increase significantly more if the project is fully implemented. Full implementation includes an additional 10 miles of pipeline from California City to Mojave and significantly more water purchases.

Additionally, the newest report from the Technical Working Group (TWG) — Assessment of Safe Yield for the Indian Wells Valley Groundwater Basin — reveals far more water can be pumped annually than the IWVGA claims. The TWG's report, released on Sept. 4, 2024, highlights the potential for more viable and cost-effective alternatives to the proposed pipeline project. This latest report, along with the TWG's Assessment of Groundwater Storage for the Indian Wells Valley Groundwater Basin, released on Feb. 23, 2024, is available on the Basin Adjudication page on the District's website, <https://www.iwvwd.com/basin-adjudication>.

The District submitted a formal report to the IWVGA on June 12, 2024, detailing the cost analysis. This report followed an Aug. 9, 2023, letter to the IWVGA, raising questions about the pipeline's cost, operations, water quality, and impact on the District's system. Clean Energy Capital's cost analysis was also provided to the Department of Water Resources on June 24, 2024. All documents are available on the District's website www.iwvwd.com, along with the Aug. 9, 2023, letter to the IWVGA and the IWVGA's Aug. 29, 2023, response.

"We are dedicated to ensuring that any proposed projects are both economically viable and in the best interest of our community," said IWVWD Board President Ron Kicinski. "The careful analysis by Clean Energy Capital confirms that the GA's proposed water pipeline project would create a significant financial burden on every customer we serve, with very little assurance on the amount of water delivered. We urge everyone to stay engaged and contribute to the conversation about our water future."